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Agenda items 121, 42 and 125
Proposed programme budget for the biennium 2000-2001
The situation in Bosnia and Herzegovina
Scale of assessments for the apportionment of the expenses of the United Nations

The equality of all five successor States to the former Socialist Federal Republic of Yugoslavia

Programme budget implications of draft resolution A/54/L.62

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

A. The draft resolution

1. Draft resolution A/54/L.62 provides that:

"*The General Assembly*,

"*Acting upon* Security Council resolution 777 (1992) of 19 September 1992, which, *inter alia*, stated 'that the State formerly known as the Socialist Federal Republic of Yugoslavia has ceased to exist', and recalling all other relevant Security Council resolutions,

"*Recalling* its resolution 47/1 of 22 September 1992, which, *inter alia*, stipulated that 'the Federal Republic of Yugoslavia (Serbia and Montenegro) cannot continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in the United Nations; and therefore decides that the Federal Republic of Yugoslavia (Serbia and Montenegro) should apply for membership in the United Nations',

"*Recalling also* its resolution 48/88 of 20 December 1993, which, *inter alia*, reaffirmed resolution 47/1,

"*Resolved* to ensure the full implementation of its relevant resolutions, in particular resolution 47/1,

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"*Noting* that the former Socialist Federal Republic of Yugoslavia has been replaced by five successor States, and reaffirming that Bosnia and Herzegovina, the Republic of Croatia, the Federal Republic of Yugoslavia (Serbia and Montenegro), the former Yugoslav Republic of Macedonia and the Republic of Slovenia are in every respect equal legal successors to the rights, obligations, assets and liabilities of the former Socialist Federal Republic of Yugoslavia and have equal legal standing in respect of their common predecessor State,

"*Noting also* the opinions of the Arbitration Commission of the International Conference on the Former Yugoslavia, which, *inter alia*, state that the Socialist Federal Republic of Yugoslavia has dissolved and no longer has legal personality and that none of the successor States can claim to be the sole continuing State,

"*Considering* therefore that the abbreviated name 'Yugoslavia', as used by the United Nations, refers only to the former Socialist Federal Republic of Yugoslavia,

"*Stressing* the importance of the settlement of all issues relating to the succession of the former Socialist Federal Republic of Yugoslavia for preserving the territorial integrity of the successor States, the achievement of lasting peace and stability in the area and the improvement of relations among all five successor States, as well as for the integration of the Federal Republic of Yugoslavia (Serbia and Montenegro) into the international community,

"*Encouraging* the Federal Republic of Yugoslavia (Serbia and Montenegro) to apply for membership in the United Nations,

"1. *Considers* that, as a consequence of its dissolution, the former Socialist Federal Republic of Yugoslavia ceased to exist as a legal personality and that none of its five equal successor States can be privileged to continue its membership in the United Nations;

"2. *Requests* the Secretary-General to take all the necessary steps to ensure that the administrative practice of the Secretariat is fully brought into line with the provisions of the present resolution and other relevant Security Council and General Assembly resolutions by the end of the fifty-fourth session of the General Assembly."

B. Background

2. Following the admission to the United Nations of Bosnia and Herzegovina, Croatia and Slovenia in 1992 and of the former Yugoslav Republic of Macedonia in 1993, the Committee on Contributions recommended, and the General Assembly approved, assessment rates for the new Member States for the balance of the scale period 1992-1994. In accordance with a related recommendation by the Committee on Contributions and a decision by the General Assembly, these approved rates of assessment were deducted from the assessment rate of 0.42 per cent earlier approved for the former Socialist Federal Republic of Yugoslavia for 1992-1994. Subsequently, the Committee on Contributions has considered, and the General Assembly has approved, scales of assessments for 1995-1997 and 1998-2000, which include Yugoslavia based on data for the Federal Republic of Yugoslavia (Serbia and Montenegro). Assessments have been issued in accordance with those scales.

3. Assessments for the first year of membership of Bosnia and Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia were credited against the outstanding assessments of Yugoslavia, as has Yugoslavia's share of subsequent credits arising for Member States. In addition, the Federal Republic of Yugoslavia (Serbia and

Montenegro) has made payments against the outstanding assessed contributions of Yugoslavia in 1996, 1997 and 1998 totalling $2,901,679. Following these payments and credits, assessed contributions outstanding for Yugoslavia as at 13 December 1999 amounted to $15,510,279, including amounts in respect of periods both before and after the adoption of Security Council resolution 777 (1992) and General Assembly resolution 47/1.

C. Implications of the draft resolution

Scale of assessments

4. Should the General Assembly adopt draft resolution A/C.5/54/L.62, it is assumed that assessments for 2000 would have to exclude the assessment rate of Yugoslavia of 0.026 per cent. Accordingly, following the addition of the anticipated assessment rates for 2000 for the three new Member States admitted in 1999, the scale of assessments for 2000 would total 99.977 rather than 100 per cent. The scale of assessments for 2001-2003 will be considered by the Committee on Contributions and the General Assembly next year and a new 100 per cent scale, including Kiribati, Nauru and Tonga and excluding Yugoslavia, could be in place for 2001 and subsequent years.

5. In this connection it may be noted that, in a situation possibly relevant to that which would apply should the draft resolution be adopted, the regular budget assessment for 1993 totalled 99.48 per cent, following the dissolution of the former Czechoslovakia at the end of 1992. Similarly, following the withdrawal of Indonesia from the United Nations effective 1 January 1965, the Committee on Contributions recommended, and the General Assembly approved, a scale of assessments for 1965-1967 that totalled less than 100 per cent based on a number of reasons, including the stated possibility of Indonesia's return.

Assets and liabilities of Yugoslavia

6. As indicated above, assessed contributions outstanding for Yugoslavia currently total $15,510,279. In addition, there is currently an advance of $60,000 in the Working Capital Fund attributed to Yugoslavia and a credit of $1,846 in the special account for the United Nations Transition Assistance Group (UNTAG) related to the distribution of unencumbered balances.

7. Should the General Assembly adopt draft resolution A/54/L.62, a decision would need to be made about the disposition of these assets and liabilities. In this connection, it may be noted that the fifth preambular paragraph of the draft resolution reaffirms that Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia (Serbia and Montenegro), the former Yugoslavian Republic of Macedonia and Slovenia are in every respect equal legal successors to the rights, obligations, assets and liabilities of the former Socialist Federal Republic of Yugoslavia and have equal legal standing in respect of their common predecessor State. It may also be noted that the arrears outstanding for Yugoslavia include amounts in respect of periods both before and after the adoption of Security Council resolution 777 (1992) and General Assembly resolution 47/1 and that the Federal Republic of Yugoslavia (Serbia and Montenegro) has made some payments towards the assessments of Yugoslavia.

D. Action to be taken by the General Assembly

8. Should the General Assembly adopt draft resolution A/54/L.62, it may wish to take note of the implications of that decision for the scale of assessments for 2000.

9. The General Assembly would also need to decide on the action to be taken with respect to Yugoslavia's advance to the Working Capital Fund and the credit outstanding for UNTAG, as well as its outstanding assessed contributions to the United Nations.